

PORTFOLIO PRESERVATION LOAN CLOSING CHECKLIST

Project Name: _____

CalHFA #: _____

REHAB FINANCING:

CalHFA 1st Loan Amt: \$ _____ Int. Rate: _____ % Term: _____ Funds: _____

CalHFA 2nd Loan Amt: \$ _____ Int. Rate: _____ % Term: _____ Funds: _____

Program: _____

Shaded section (1-14) for CalHFA use only:

____ **Loan Administrator Working File**

____ **General & Interoffice Correspondence File**

____ **CalHFA Fees Collected** ____ **Fee Report** ____ **all fees collected**

____ **Post Close Checklist**

1. ____ Final Pro-Forma Title Policy ____ Draft Pro-Forma ____ ____ Estoppel & Construction Title Proforma (C.9)
2. ____ CalHFA Title Policy (post closing)
____ Draft Settlement Statement (verify escrow has collected funds for draw Endorsements) ____ Final Settlement Statement
3. ____ CalHFA Promissory Note(s) (Original to Accounting) ____ Rehab/ Loan Agreement (copy)
____ Security Agreement (copy)
4. ____ Recorded CalHFA Deed of Trust (copy)
5. ____ Filed Construction Contract ____ (copy) Payment & Performance Bonds recorded ____
6. ____ Recorded CalHFA Regulatory Agreement (copy)
7. ____ Recorded Subordinations and other Junior Liens (copy)
8. ____ Consent to Assignment of HAP as Security
9. ____ Assignment of Architect's/Engineers' Contract
____ Assignment of Construction Contract
____ Assignment of Managers Agreement
10. ____ TEFRA Confirmation ____ Declaration of Intent ____ Letter of Intent to Bwr ____
____ CDLAC Resolution ____ TCAC Project Summary ____ (if available)
____ Final Commitment (____ check for compliance with Special Conditions)
____ Board Resolution or ____ Senior Staff Resolution ____
____ Loan Modification Approval and acknowledgement of Sources and Uses by borrower
____ TCAC Reservation Letter
____ Credit Check on Borrower
11. ____ Escrow Instructions/copy of docs sent to escrow & Disbursement Administrator
12. ____ Loan Officer Construction and Permanent Sources and Uses (CalHFA III)
13. ____ Architectural Conditions Letter sign by all parties, check exceptions to const start
14. ____ 51335 Letter sent to Locality issuing permits.

Comments: _____

BORROWER TO PROVIDE:

(Borrower to provide ONE ORIGINAL binder with the following documents number tabbed as reflected below, and ONE CD with the documents named in the order of the checklist (subfolders not required). If previously provided to CalHFA please indicate with a "PP" or NA for Not applicable)

Online forms available on CalHFA's website: <http://www.calhfa.ca.gov/multifamily/financing/closing/index.htm>

REHAB PRE-CLOSING DOCUMENTS:

- 15. ___ Preliminary Title Report; ___ copies of all recorded documents on title
(current within 30 days old)
- 16. ___ Wiring instructions for draws
- 17. ___ Executed Signature Election - **online form**
- 18. ___ Phase I ___; Phase II ___; **update w/in 180 days of closing**
- 19. ___ Letter of Reliance if Phase I or II was not prepared for CalHFA directly -**sample online**
- 20. ___ Other Environmental Reports: Soils ___; Seismic ___; Wetlands ___; EIR ___
- 21. ___ Recorded Ground Lease ___ DDA ___ OPA ___ Grant Deed ___
- 21. ___ Purchase and Sale Agreement
- 23. ___ Local Gov't Note ___ Deed of Trust ___ Regulatory Agreement ___
- 24. ___ Other Junior Instruments _____
- 25. ___ ALTA survey (Copy to attorney ___)
- 26. ___ Evidence of zoning /Planning Department permit & conditions of approval
- 27. ___ Building and Grading Permit
- 28. ___ Evidence of acceptance of completed relocation program if applicable (were there existing occupied buildings on the property prior to construction?)
- 29. ___ Market Study
- 30. ___ Appraisal

ORGANIZATIONAL DOCUMENTS:

Depending on your structure some of the following may or may not apply

- 31. ___ Partnership Agreement ___ Amendments ___ LP-1 & ___ LP-2
___ Investor Pay in Schedule
Name: _____
___ Certificate of Status/Good Standing (**dated w/in 90 days of closing**) _____
- 32. ___ Authorizing Resolution from borrowing entity
- 33. ___ Managing GP Art. Of Incorpor. ___ By-Laws
Name: _____
___ Managing GP Cert. of Status/Good Standing (90-day rule) _____
- 34. ___ Admin. GP Art. Of Incorpor. ___ By Laws ___
Name: _____
___ Cert. of Status/ Good Standing ___ (90-day rule)
- 35. ___ 501(c)3 Borrower name: _____
___ 501(c)3 IRS application _____ or last 4 years 990's _____
___ 501(c)3 IRS approval letter _____ 501c3 tax-exempt letter, Authorizing Resolution _____
- 36. ___ Borrower's Opinion of Counsel _____ Article 34 opinion _____ (**sample online**)
- 37. ___ Organizational documents for Sponsor/Parent Company-Guarantor (if applicable)
- 38. ___ Name: _____
- 39. ___ Identity of Interest - **online form**
- 40. ___ Unrelated Parties Determination Letter
- 41. ___ Updated Organizational Chart

CONSTRUCTION DOCUMENTATION:

- 42. ____ Draft Construction Contract
- 43. ____ Final trade pmt breakdown ____ Dev/Const schedule (exhibit E to Construction Loan Agreement)
- 44. ____ Final Construction Budget (for exhibit D on Construction Loan Agreement)
- 45. ____ Architect Contract
- 46. ____ Engineers' Contract
____ Plans and Specifications
- 47. ____ Prevailing wage and/or Davis Bacon determination
- 48. ____ Notice to Proceed to contractor from borrower (email will suffice)

FINANCIAL REQUIREMENTS:

- 49. ____ LOC or cash collateral for 10% of construction contract (if applicable) **sample online**
____ Completion and Repayment Guarantee for 100% of construction contract (from Borrower/Sponsor)
- 50. ____ Draft Payment and Performance Bonds with CalHFA as dual-obligee on the policy (100% of Construction Contract from Contractor)

OTHER:

- 51. ____ Assignment of HAP contract between Buyer and Seller (if applicable)
- 52. ____ Tax Credit Investor commitment letter
- 53. ____ Assignment of permanent loan commitments (sources funding after construction)
- 54. ____ Estoppel certificate from permanent lender(s) and investors (if funding prior to CalHFA)
____ Estoppel/ Tri Party from MHP
- 55. ____ Management Agreement
- 56. ____ Seller take back Promissory Note (if applicable) ____ Deed of Trust, ____ Loan Agreement,
____ Other related loan documents

INSURANCE REQUIREMENTS: (all policies must have an expiration date at least 6 months from closing)

- 57. ____ Property insurance w/ CalHFA as Certificate Holder and a 438 BFU Endorsement,
to include:
 - a. Builder's all risk course of construction ____ expiration date ____
 - b. insurance and AMBEST search on all
 - c. General Liability ____ expiration date ____ Auto ____ expiration date ____
 - d. Workman's Comp ____ expiration date ____
- 58. ____ General Contractor insurance w/ CalHFA as Certificate Holder and a 438 BFU
Endorsement, to include: ____ Contractor license search ____ D&B ____ Insurance
and AMBEST search
 - a. Liability ____ expiration date ____
 - b. Workmen's Comp ____ expiration date ____ Insurance and AMBEST search
 - c. Auto ____ expiration date ____
- 59. ____ Architect's insurance with CalHFA as Certificate Holder and a 438 BFU (if applicable)
Endorsement
 - a. E & O /Professional Liability ____ Expiration date ____
 - b. Auto ____ Expiration date ____
 - c. General Liability ____ Expiration Date ____

FINANCIAL REPORTING REQUIREMENTS

60. ____ Federal Tax I.D. number (W-9) on Borrowing entity
61. ____ Good Cost Project Cert - **online form**

HUD: (if applicable)

62. ____ HUD236 Deed ____ Assignment ____ IRP Agreement ____ HAP Agreement ____
HUD Assignment ____ HUD Regulatory ____

FHA HUD RISK SHARE:

63. ____ 2880

(CalHFA only)

64. ____ 2530
65. ____ Mortgagee and Mortgagor Cert's ____ signed and forwarded to Risk Share administrator
66. ____ HUD Risk Share Firm approval letter

CALHFA USE ONLY

SEARCHES:

Credit Search on Borrower: ____
Contractor: ____
Sponsor: ____

All Insurance Companies searched thru www.insurance.ca.gov ____
Insurance companies with Home Offices out of California check the LESLI list
(List of eligible surplus line of insurers)

AM Best search on all insurance companies thru www.ambest.com ____

Contractor License search thru www.cslb.ca.gov ____

Surety Bond search thru www.fms.treas.gov ____

POST CLOSING REQUIREMENTS

DRAW REQUIREMENTS:

H:\CalHFA\chfa\marisa\masterdocs\Closing process\closing
checklist\rehab\nibp\Portfoliopreservation2012.doc
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